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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, FEBRUARY 23, 2001

APPLICATION OF

SOMMERSBY WATER COMPANY, INC.

CASE NO. PUE010012

For a certificate of public convenience and necessity pursuant to § 56-265.3 of the Code of Virginia

ORDER INVITING WRITTEN COMMENTS AND REQUESTS FOR HEARING

On January 4, 2001, Sommersby Water Company, Inc.

("Sommersby" or the "Company"), filed an application requesting authority pursuant to § 56-265.3 of the Code of Virginia to provide water service to the Sommersby subdivision in Botetourt County, Virginia. Sommersby also requests approval of its proposed rates, rules, and regulations of service as follows:

- 1. Service Connections
 - (a) 3/4 inch service connection

\$1,000.00

(b) Service connection over 3/4 inch

\$1,000.00 plus any cost greater than for a 3/4 inch connection

Water Rates (available to all customers other than customers purchasing water for resale): Bi-monthly Rates

For any portion of the \$20.00 first 4,000 gallons

For the next 1,000 \$3.00 per each 1,000 qallons qallons

3. Minimum Charge

There shall be a bi-monthly minimum service charge of \$20.00 for water service, and no bill will be rendered for less than the minimum charge. This minimum bi-monthly service charge shall become effective when the water service is connected to the lot.

Sommersby proposes a late payment charge of 1 1/2 percent per month for bills not timely paid; a customer deposit equal to a customer's liability for two months' usage; a \$6.00 bad check charge; and a meter test charge equal to actual cost unless the meter has an average error greater than two percent. The Company also proposes a \$25.00 charge to terminate water service for non-payment of any bill or for violation of the Company's rules and regulations of service, and it proposes a \$10.00 charge to discontinue or to restore water service at the customer's request. In addition, the Company proposes a \$25.00 charge to restore water service that has been terminated for non-payment of any bill or for violation of the Company's rules and regulations of service. Finally, Sommersby proposes a \$40.00 charge for the installation and connection of a water meter removed at the discretion of the Company.

NOW THE COMMISSION, having considered the application and applicable law, is of the opinion that the matter should be docketed, notice should be given, and interested persons should have an opportunity to comment and request a hearing.

Accordingly, IT IS ORDERED THAT:

- (1) This matter shall be docketed as Case No. PUE010012.
- (2) The Company shall make a copy of the application and exhibits available for public inspection during regular business hours at Sommersby Water Company, Inc., 481 Plantation Drive, Fincastle, Virginia 24090.
- (3) The Company shall respond to written interrogatories within seven (7) calendar days after receipt of it. Except as modified above, discovery shall be in accordance with Part VI of the Commission's Rules of Practice and Procedure.
- (4) On or before March 15, 2001, Sommersby shall mail the following notice (bill inserts are acceptable) to all of their customers in Botetourt County, Virginia:

NOTICE TO THE PUBLIC OF AN APPLICATION BY SOMMERSBY WATER COMPANY, INC., FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY CASE NO. PUE010012

Notice hereby is given that Sommersby Water Company, Inc. ("Sommersby" or "Applicant"), filed an application for a certificate of public convenience and necessity ("certificates") on January 4, 2001. In its application, Sommersby requests authority pursuant to § 56-265.3 to provide water service to the Sommersby subdivision in Botetourt County, Virginia.

The Company also requests approval of its proposed rates, rules, and regulations of service as follows:

1. Service Connections

- (a) 3/4 inch service connection
- (b) Service connection over 3/4 inch

\$1,000.00 plus any cost

\$1,000.00

greater than for a 3/4 inch connection

2. Water Rates (available to all customers
 other than customers purchasing water
 for resale):
 Rates bi-monthly

For any portion of the first 4,000 gallons \$20.00

For the next 1,000 \$3.00 per each gallons 1,000 gallons

3. Minimum Charge

There shall be a bi-monthly minimum service charge of \$20.00 for water service and no bill will be rendered for less than the minimum charge. This minimum bi-monthly service charge shall become effective when the water service is connected to the lot.

Sommersby proposes a late payment charge of 1 1/2 percent per month for bills not timely paid; a customer deposit equal to a customer's liability for two months' usage; a \$6.00 bad check charge; and a meter test charge equal to actual cost unless the meter has an average error greater than two percent. The Company also proposes a \$25.00 charge to terminate water service for nonpayment of any bill or for violation of the Company's rules and regulations of service and it proposes a \$10.00 charge to discontinue or to restore water service at the customer's request. In addition, the Company proposes a \$25.00 charge to restore water service that has been terminated for non-payment of any bill or for violation of

the Company's rules and regulations of service. Finally, Sommersby proposes a \$40.00 charge for the installation and connection of a water meter removed at the discretion of the Company.

A copy of the application is available for public inspection during regular business hours at Sommersby Water Company, Inc., 481 Plantation Drive, Fincastle, Virginia 24090. The application is available for public inspection Monday through Friday, 8:15 a.m. to 5:00 p.m., at the State Corporation Commission, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

Any person wishing to comment on the application or request a hearing may do so on or before April 22, 2001, by addressing such comments or requests to: Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia, and shall refer to Case No. PUE010012. A copy of the comments or requests for hearing must also be sent to counsel for Sommersby as follows: Kenworth E. Lion, Jr., Esquire, Lion Law Offices, 727 Burning Tree Circle, Salisbury, Maryland 21801-7001. Requests for hearings shall state why a hearing is necessary and why such issues cannot be adequately addressed in written comments.

If no sufficient request for hearing is received, a formal hearing with oral testimony may not be held, and the Commission may make its decisions administratively based upon papers filed in this proceeding.

SOMMERSBY WATER COMPANY, INC.

(5) The Company forthwith shall serve a copy of this Order on the Chairman of the Board of Supervisors of any county and

upon the Mayor or Manager of any county, city, or town (or equivalent officials in counties, towns, and cities having alternate forms of government) lying within the Applicant's service area. Service shall be made by first-class mail or delivery to the customary place of business or residence of the person served.

- (6) On or before April 15, 2001, Sommersby shall provide the Commission with proof of the notice required in Ordering Paragraphs (4) and (5).
- (7) On or before April 22, 2001, any interested person wishing to comment on the application shall address such comments to: Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, and shall refer to Case No. PUE010012. A copy of such comments simultaneously shall be sent to counsel for Sommersby as follows: Kenworth E. Lion, Jr., Esquire, Lion Law Offices, 727 Burning Tree Circle, Salisbury, Maryland 21801-7001.
- (8) On or before April 22, 2001, any person desiring a hearing in this matter shall file a request for hearing in writing with: Joel H. Peck, Clerk, State Corporation

 Commission, c/o Document Control Center, P.O. Box 2118,

 Richmond, Virginia 23218, and shall refer to Case No. PUE010012.

 A copy of such request simultaneously shall be sent to counsel for Sommersby as follows: Kenworth E. Lion, Jr., Esquire, Lion

Law Offices, 727 Burning Tree Circle, Salisbury, Maryland 21801-7001.

- (9) Appropriate members of the Commission's Staff shall review the application and shall submit, on or before June 6, 2001, a report presenting their findings and recommendations.
- (10) On or before June 13, 2001, the Company and interested persons shall file a response, if any, to the Staff Report.